

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Public Alliance) Application No. NG-0012
for Community Energy (ACE),)
Lincoln, Nebraska, for authority) APPLICATION GRANTED
as a competitive natural gas)
provider in the state of)
Nebraska.) Entered: January 13, 2004

BY THE COMMISSION:

By application filed September 18, 2003, Public Alliance for Community Energy (ACE), Lincoln, Nebraska, seeks authority as a competitive natural gas provider (CNGP) in the state of Nebraska. Notice of the application was published in the Daily Record, Omaha, Nebraska, on September 22, 2003. Petitions for intervention were timely filed on behalf of Aquila, Inc., d/b/a Aquila Networks (Aquila), and Cornerstone Energy, Inc. (Cornerstone).

By Joint Motion and Stipulation filed December 19, 2003, ACE, Cornerstone and Aquila requested that the Commission enter an order granting the application, restricted to authority for ACE as a CNGP in the area served in Nebraska by Kinder Morgan, Inc., its successors or assigns. Furthermore, Cornerstone and Aquila stated that they have no objection to the Commission processing the application for authority as restricted above by modified procedure pursuant to Commission Rules of Procedure, 291 Neb. Admin. Code, Ch. 1, Rule 018.3.

O P I N I O N A N D F I N D I N G S

The Commission finds that it has jurisdiction pursuant to Neb. Rev. Stat. §§ 66-1848 to 66-1849 (2003 Supp.). Section 66-1849 provides in part:

The commission shall certify all competitive natural gas providers and aggregators providing natural gas services. In an application for certification, a competitive natural gas provider or aggregator shall reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services such provider or aggregator proposes to offer. The commission may establish reasonable conditions or restrictions on the certificate at the time of issuance.

ACE is authorized to do business in Nebraska, and provided a Certificate of the Nebraska Secretary of State certifying that ACE has filed Interlocal Agreements creating ACE and confirming publication of notice of such formation. In its application, ACE states that it has never had any legal action or formal complaints pertaining to the provision of competitive natural gas services filed against the company, nor has it had a license or certificate to supply competitive natural gas services revoked, denied or withdrawn.

ACE's application indicates that it currently provides gas supply and related services to residential, commercial and industrial customers in the State of Nebraska.

In support of its application, ACE submitted a copy of an audited financial statement.

In addition, ACE submitted the affidavits of the members of its management team: Bruce Smith - Chief Operating Officer; Ronald Haase - Chief Financial Officer; and John Harms - Gas Operations.

Commission Staff Accountant Steve Stovall submitted an affidavit attesting that the financial statements submitted provide evidence of adequate financial resources necessary to obtain and deliver the services the applicant proposes to offer.

Based upon information provided in affidavits and the application, the Commission finds that the application of ACE should be granted for the area served in Nebraska by Kinder Morgan, Inc., its successors or assigns, and that ACE should be issued a certificate of authority as a competitive natural gas provider for such area.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the application is hereby granted in accordance with the foregoing findings and that this order shall constitute certification of ACE as a competitive natural gas provider.

IT IS FURTHER ORDERED that this order be, and it is hereby made, the Commission's official certificate of authority to furnish the service authorized herein as a competitive natural gas provider.

MADE AND ENTERED at Lincoln, Nebraska, this 13th day of
January, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director